



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-8000

OFFICE OF THE ASSISTANT SECRETARY
FOR HOUSING-FEDERAL HOUSING COMMISSIONER

MEMORANDUM FOR: All Regional Directors, All Multifamily Hub and Program Center Directors, All Owners and Management Agents of Multifamily Assisted Properties, All Owners and Management Agents of Section 8 Project-Based Properties, All Contract Administrators

DATE: August 21, 2003 [*as inserted by MSHDA*]

FROM: Stillman D. Knight, Jr., Deputy Assistant Secretary for Multifamily Housing Programs,
HT

SUBJECT: Implementation of HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs

The purpose of this memorandum is to discuss the implementation of Handbook 4350.3 REV-1, the effective date and any exceptions to the effective date of implementation. The Handbook was issued on June 12, 2003 and all policies in the Handbook are in effect as of that date. The only exceptions would be the matters set forth below.

Most of the information in HUD Handbook 4350.3 REV-1 is information that was included in HUD Handbook 4350.3 and its Changes 1 through 29. Many of the changes to this Handbook are changes to the organization of the Handbook and clarification of information or direction based on input received from owners, management agents, tenants and other interested individuals. A crosswalk between where information was located in the old Handbook and where it is located in the new Handbook is attached as Exhibit A to this memorandum. Additional information was incorporated from existing statutes, regulations, notices and policy guides that were issued subsequent to the issuance of the last updated Handbook. This information includes:

- Quality Housing and Work Responsibility Act (QHWRA)
- Screening and Eviction Rule
- Non-Citizen Rule
- Additional information 202, 202/8, 202PAC and 202/811 PRAC
- Information on Subsidized cooperatives
- Current information about Tenant Rental Assistance Certification System (TRACS) certifications and billings.
- The use of the terms disability and persons with disabilities is used when appropriate rather than the use of the terms handicap and individual with a handicap used in prior Handbook and some key regulations.

- Explanation of the two definitions of “Persons with Disabilities”
- Additional guidance on who is eligible to live in certain properties designed for elderly and or persons with disabilities. (Title VID of the Housing and Community Development Act of 1992)

Most policy is unchanged from guidance in the prior version of this Handbook. Many of the decisions to change policy were brought about by suggestions from users of the Handbook. These policy changes are listed in attached Exhibit B to this memo.

Guidance regarding implementation of the following policies is set forth below:

Recertification timeline

The revised Handbook requires owners to start the recertification process 120 days prior to the anniversary date rather than 90 days prior to the anniversary date as set forth in the previous Handbook. Owners have until January 1, 2004 to implement this requirement. This means that all tenants whose anniversary date is May 1, 2004 and thereafter will be provided the 120-day notice.

Special claims submission deadline

The revised Handbook requires owners to submit Special Claims for unpaid rent and tenant damages and Special Claims for vacancy losses during rent –up within 180 days of the event which gives rise to the claim. The old Handbook allowed one year to file such claims. Implementation of this new policy will be effective for all claims where the action that caused the claim occurred after August 31, 2003. If the action occurred prior to August 31, 2003, owners will have up to one year to file those Special Claims.

Handbook 4350.3 REV-1 may be obtained on HUDCLIPS or by calling 800-767-7468.

Questions on HUD Handbook 4350.3 REV-1 should be submitted to the mailbox at Occupancy_Handbook_Comments@hud.gov

Attachments